2007-05296/

Government of Canada Securities

A Publication of the Department of Finance

July 2007

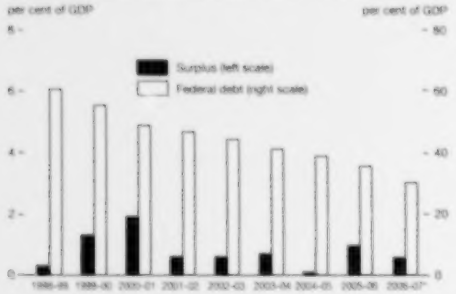
Canadian Economy

Selected Canadian economic statistics

	2006				2007
	Q1	Q2	Q3	Q4	Q1
Annualized growth rates			(per cent)		
Real gross domestic product	3.8	2.0	1.3	1.5	3.7
Final domestic demand	5.6	3.7	4.0	3.7	3.2
Employment growth	1.6	2.9	0.6	2.4	3.9
Other					
Unemployment rate	6.4	6.2	6.4	6.2	6.1
Current account balance (percentage of GDP)	2.9	1.4	1.6	1.3	1.7

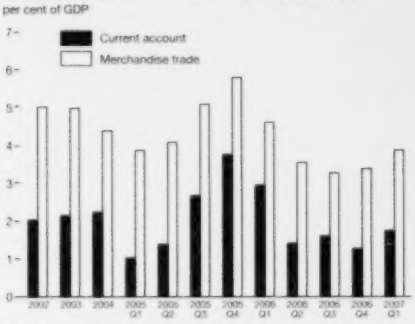
Source: Statistics Canada.

Government of Canada federal debt (accumulated deficit) and budgetary balance



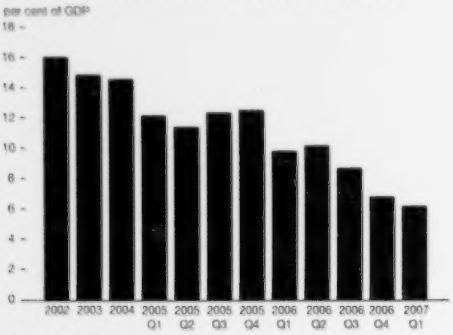
*Estimate (*The Budget Plan 2007*).
Source: Department of Finance.

Canada's current account balance and merchandise trade balance



Source: Statistics Canada.

Canada's net international liabilities



Source: Statistics Canada.

Upcoming economic data releases of interest

July

June CPI
(July 18)

May GDP
(July 31)

August

July Labour Force Survey
(August 10)

July CPI
(August 21)

July GDP
(August 31)

National and Economic Accounts
April-June 2007
(August 31)

September

August Labour Force Survey
(September 7)

August CPI
(September 19)

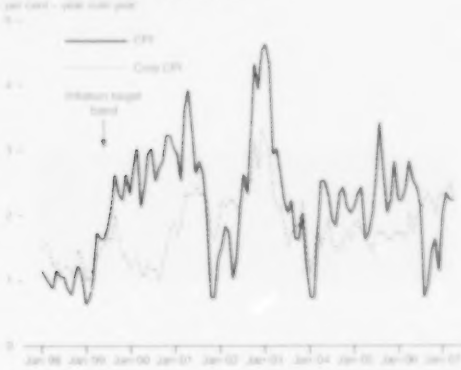
July GDP
(September 28)

Canada

Government of Canada Securities

Canadian Economy

Consumer Price Index



Source: Statistics Canada

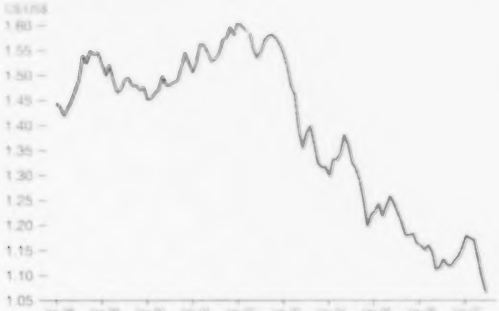
3-month treasury bill rates

Sources: Bank of Canada and Federal Reserve

10-year government bond rates

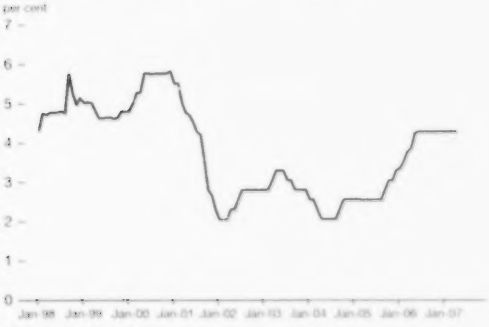
Sources: Bank of Canada and Federal Reserve

Exchange rate



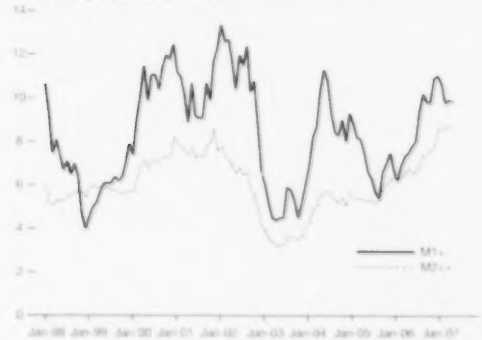
Source: Bank of Canada

Overnight money market rate



Source: Bank of Canada

Canadian monetary aggregates



Source: Bank of Canada

Government of Canada Securities

Primary Market

Outstanding Government of Canada treasury bills, bonds (by term to maturity) and retail debt

Source: Bank of Canada

Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage**	Tail***
	(years)		(%)	(millions of dollars)		(%)		(basis points)
April 18, 2007	10	June 1, 2017	4	2,600	98.456	4.192	2.43	0.3
May 2, 2007	5	June 1, 2012	3.75	2,000	98.173	4.153	2.34	0.3
May 23, 2007	2	December 1, 2009	4.25	3,500	99.553	4.440	2.43	0.4
May 30, 2007	30	December 1, 2041	2*	650	99.752	2.010	2.80	n.a.

* Real Return Bond.

** Coverage is defined as the ratio of total bids at auction to the amount auctioned.

*** Tail is defined as the high accepted yield minus the average yield.

Source: Bank of Canada

Government of Canada bond auctions

Type of issue	Auction date (2007)	Further details of issue (2007)	Dated and delivered (2007)	Amount maturing*
				(millions of dollars)
30-year	July 18	July 12	July 23	0
10-year	August 1	July 26	August 7	0
5-year	August 15	August 9	August 20	0
Real Return Bond	August 29	August 23	September 4	0
5-year	September 19	September 13	September 21	0

Note: In addition this quarter, five operations are planned under the Government of Canada bond repurchase program. Four repurchase operations are being held in conjunction with each nominal bond auction, and one switch repurchase operation is taking place on September 12 in the 10-year sector. Further details are released on the Thursday prior to these operations. The target amount for the repurchase this quarter is $1.7 billion.

* Maturity of $7.5 billion on September 1, 2007.

Source: Bank of Canada

Government of Canada Securities

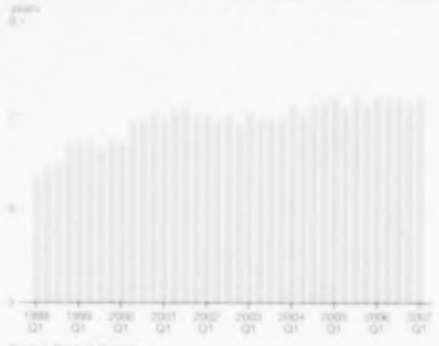
Primary Market

Government of Canada bond market benchmarks

Term	Maturity	Coupon	Amount outstanding	Yield (June 29, 2007)
		(%)	(millions of dollars)	(%)
Fixed-coupon				
2-year	June 1, 2009	3.75	3,500	4.58
5-year	September 1, 2011	3.25	9,328	4.35
10-year	June 1, 2016	4.00	10,900	4.55
30-year	June 1, 2033	5.75	13,410	4.48
Real return				
30-year	December 1, 2036	3	5,850	2.11

Source: Department of Finance

Average term to maturity of Government of Canada marketable debt



Source: Bank of Canada

Upcoming Government of Canada marketable bond maturities

July-September 2007	October-December 2007	January-March 2008	April-June 2008
(millions of dollars)			
7,517	7,219	578	11,046

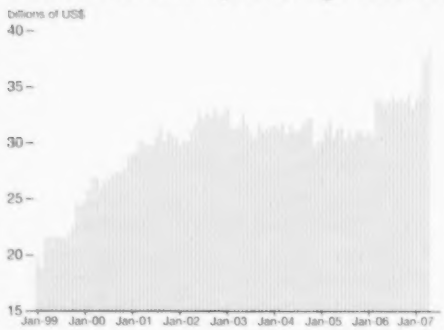
Outstanding Government of Canada foreign currency debt

	(C$ millions)*
Canada bills	1,663
Canada notes	438
Outstanding under EMTN program	1,510
6.5% NZ$ bonds maturing October 3, 2007	412
4.5% EUR bonds maturing July 7, 2008**	2,949
5.5% US$ bonds maturing November 5, 2008	2,664

*At par value, adjusted for exchange rates as of June 29, 2007.
**Original issue in Deutsche marks was redenominated into euros on February 19, 1999.

Source: Bank of Canada.

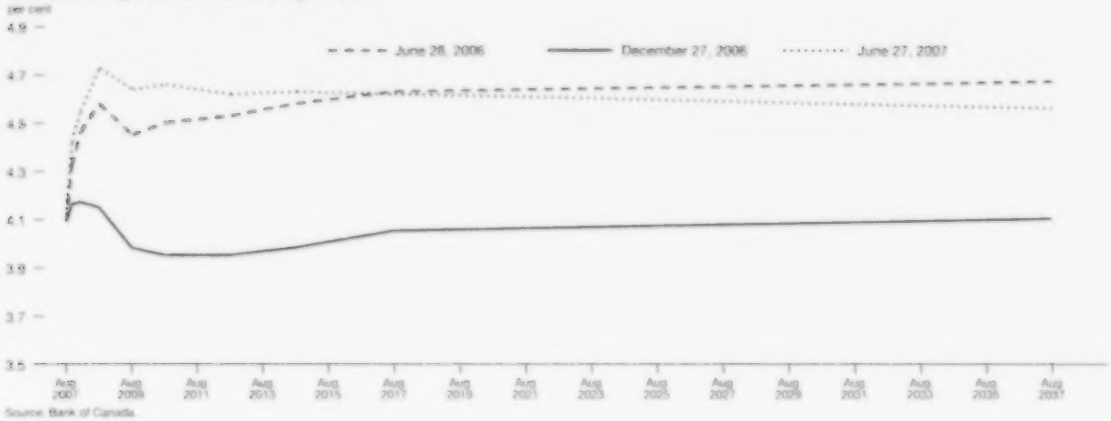
Canada's level of liquid foreign reserves



Source: Bank of Canada

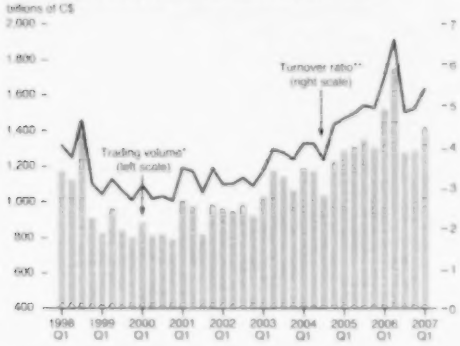
Secondary Market

Canadian yield-to-maturity curve



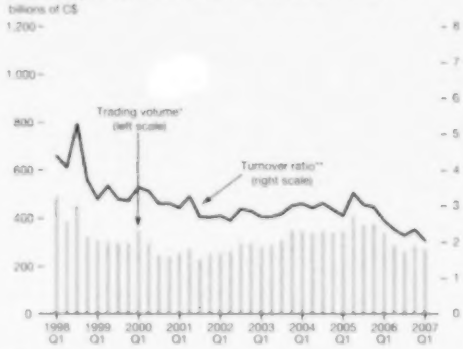
Source: Bank of Canada

Government of Canada bonds trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada treasury bills trading volume and turnover ratio



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Source: Bank of Canada.

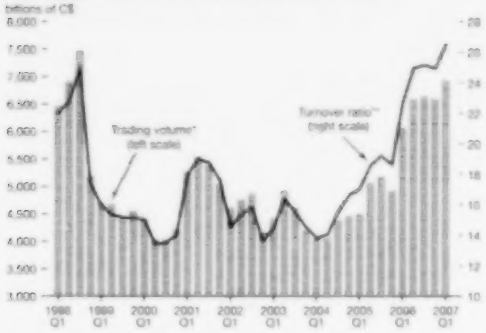
Government securities distributors

- Bank of Montreal (treasury bills only)
- Beacon Securities Limited
- BMO Nesbitt Burns Inc. (marketable bonds only)
- Canaccord Capital Corp.
- Canadian Imperial Bank of Commerce (treasury bills only)
- Casgrain & Company Limited
- CIBC World Markets Inc. (marketable bonds only)
- CTI Capital Inc.
- Desjardins Securities
- Deutsche Bank Securities Limited
- Dundee Securities Corporation
- Gateway Securities Inc.
- HSBC Bank Canada (treasury bills only)
- HSBC Securities (Canada) Inc. (marketable bonds only)
- Laurentian Bank Securities Inc.
- Merrill Lynch Canada Inc.
- J.P. Morgan Securities Canada Inc.
- National Bank Financial Inc.
- Ocean Securities Inc.
- Odlum Brown Limited
- RBC Dominion Securities Inc.
- Scotia Capital Inc.
- The Toronto-Dominion Bank

Government of Canada Securities

Secondary Market

Government of Canada bond repos trading volume and turnover ratio



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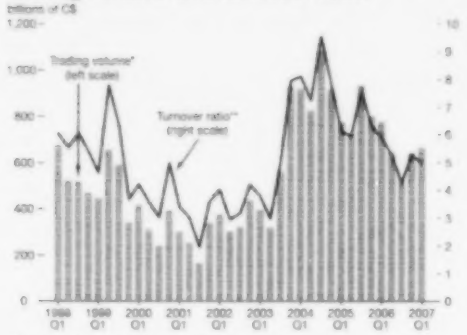
Government of Canada treasury bill repos trading volume and turnover ratio



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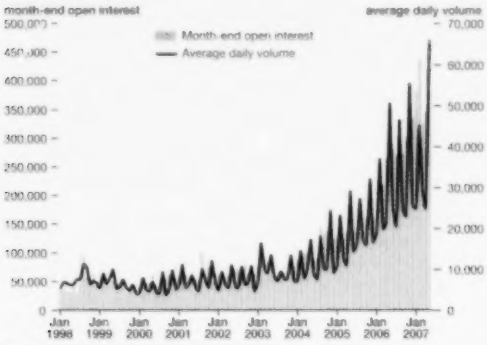
10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures

Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Dominion Bond Rating Service Current
Domestic debt – Trend	**AAA** Stable	**Aaa** Stable	**AAA** Stable
Foreign debt – Trend	**AAA** Stable	**Aaa** Stable	**AAA** Stable

This publication is also available on the Internet at www.fin.gc.ca.
Except as noted, the information in *Government of Canada Securities* is based upon data available as of July 3, 2007.
For further information, contact Ian Blachford at 613-992-6386.
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